Introduction

Micro Memory Bank, Inc. developed and implemented a Quality Management System in order to document the company’s best business practices, better satisfy the requirements and expectations of its customers and improve the overall management of the company.

The Quality Management System of Micro Memory Bank, Inc. meets the requirements of the international standard ISO 9001 (2000). This system addresses the design, development, and production of the company’s products.

The manual is divided into eight sections that correlate to the Quality Management System sections of ISO 9001 - 2000. Each section begins with a policy statement expressing Micro Memory Bank, Inc.’s obligation to implement the basic requirements of the referenced Quality Management System section. Each policy statement is followed by specific information pertaining to the procedures that describe the methods used to implement the necessary requirements.

This manual describes the Quality Management System, delineates authorities, inter relationships and responsibilities of the personnel responsible for performing within the system. The manual also provides procedures or references for all activities comprising the Quality Management System to ensure compliance to the necessary requirements of the standard.

This manual is used internally to guide the company’s employees through the various requirements of the ISO standard that must be met and maintained in order to ensure customer satisfaction, continuous improvement and provide the necessary instructions that create an empowered work force.

This manual is used externally to introduce our Quality Management System to our customers and other external organizations or individuals. The manual is used to familiarize them with the controls that have been implemented and to assure them that the integrity of the Quality Management System is maintained and focused on customer satisfaction and continuous improvement.
Quality Manual Distribution

The Quality Manual shall be distributed to the following:

President,
VP of Marketing & Business Development
VP of Operation
VP of Sales
Inventory Manager
Chief Engineer
Management Representative (Quality Manager)
Accounting Manager
Organizational Reporting

President

Quality Manager
  (ISO Man. Rep.)
  Internal Auditors
  Document Control Coordinator
  Purchasing
  Logistics

Accounting Manager
  MIS / IT
  Administration
  Human Resources

VP Of Operation
  Production / Refurbishing
  Test
  Equipment Programming & Maintenance

Inventory Manager
  Inventory Control
  Receiving / Shipping
  System Test

Chief Engineer
  Design & Implementation

VP of Marketing & Business Development

VP Of Sales
  Sales Representatives
Section 1: Scope

1.1 General

The Quality Management System applies to the design, development and production of memory modules produced or refurbished by Micro Memory Bank, Inc.

This quality manual outlines the policies, procedures and requirements of the Quality Management System. The system is structured to comply with the conditions set forth in the International Standard ISO 9001:2000

1.2 Application

Micro Memory Bank, Inc. has determined that the requirements for Service Provision are not applicable to the company operations, therefore exclusion have been declared.
Section 2: Normative Reference

2.0 Quality Management System References

The following documents were used as reference during the preparation of the Quality Management System:

Section 3: Definitions

3.0 Quality Management System Definitions

This section is for definitions unique to Micro Memory Bank, Inc.

- **Audit** - Systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are fulfilled.
- **Conformity** - Fulfillment of a requirement
- **Continual Improvement** - Recurring activity to increase the ability to fulfill requirements.
- **Corrective Action** - Action taken to eliminate the cause of a detected nonconformity or other undesirable situation
- **Customer Satisfaction** - Customer’s perception of the degree to which the customer’s requirements have been fulfilled.
- **Effectiveness** - Extent to which planned activities are realized and planned results achieved.
- **Efficiency** - Relationship between the result achieved and the resources used.
- **Finished Goods Inventory** – Product that has been manufactured or refurbished by Micro Memory Bank, Inc. and has been tested as acceptable product.
- **Infrastructure** - (organization) system of facilities, equipment and services needed for the operation of an organization.
- **Nonconformity** - Non-fulfillment of a requirement.
- **Organization** - Group of people and facilities with an arrangement of responsibilities, authorities and relationships.
- **Organizational Structure** - Arrangement of responsibilities, authorities and relationships between people.
- **Preventive Action** - Action taken to eliminate the cause of a potential nonconformity or other undesirable potential situation.
- **Procedure** - Specified way to carry out an activity or a process.
- **Process** - Set of inter-related or interacting activities, which transforms inputs into outputs.
- **Product** - Results of a process.
- **Quality** - Degree to which a set of inherent characteristics fulfills requirements.
- **Quality Assurance** - Part of quality management focused on providing confidence that quality requirements will be fulfilled.
- **Quality Control** - Part of quality management focused on fulfilling quality requirements.
- **Quality Management** - Coordinated activities to direct and control an organization with regard to quality.

- **Quality Management System** - Management system to direct and control an organization with regard to quality.

- **Quality Objective** - Something sought, or aimed for, related to quality. Generally based on the organization's quality policy, and specified for relevant functions and levels in the organization.

- **Quality Plan** - Document specifying which procedures and associated resources shall be applied by whom and when to a specific project, product, process or contract.

- **Quality Planning** - Part of quality management focused on setting quality objectives and specifying necessary operational processes and related resources to fulfill the quality objectives.

- **Quality Policy** - Overall intentions and direction of the organization related to quality as formally expressed by top management.

- **Raw Material** – All new components, bare PCB’s, and manufacturing supplies used to produce Micro Memory Bank, Inc. product.

- **Record** - Document stating results achieved or providing evidence of activities performed. Records can be used to document traceability and to provide evidence of verification, preventive action, and corrective actions. Records need not be under revision control.

- **Re-grade** - Alteration of the grade of a nonconforming product in order to make it conform to requirements differing from the initial requirements.

- **Repair** - Action on a nonconforming product to make it acceptable for the intended use.

- **Rework** - Action taken on a nonconforming product so that it will fulfill the specified requirements.

- **Supplier** - Organization or person that provides a product, service or information.

- **Surplus Material** – Refurbished components, sub assemblies used to produce Micro Memory Bank, Inc. product.

- **Top Management**: The President, Manufacturing Engineer, VP of Marketing and New Business Development, Manufacturing Manager, Accounting Manager, Quality Engineer (ISO Management Representative) of the Micro Memory Bank, Inc.

- **Work Environment** - Set of conditions under which work is performed. Conditions include physical, social, psychological and environmental factors (such as temperature, recognition schemes, ergonomics and atmospheric composition).

- **Work Instructions** - Controlled document, which provides instruction on how to perform a specific task.
Section 4: General Requirements

4.1 General requirements

Micro Memory Bank, Inc. has established, documented and implemented a Quality Management System (QMS) in accordance with the requirements of ISO 9001:2000. The system is maintained and continually improved through the use of the quality policy, quality objectives, audit results, analysis of data, corrective and preventive action and management review.

To design and implement the QMS Micro Memory Bank, Inc. has:

- Identified the processes needed for the QMS and their application throughout the organization and documented them on the Process Flow Diagram at the end of this section of the Quality Manual
- Determined the sequence and interaction of these processes, and illustrated them on the Process Flow Diagram
- Determined criteria and methods needed to ensure that the operation and control of the processes are effective, and documented them in quality plans, work instructions and the Measuring, Monitoring and Analysis Table (F-500-001)
- Ensured the continuing availability of resources and information necessary to achieve planned results and continual improvement of these processes
- Established systems to monitor, measure and analyze these processes,
- Established processes to identify and implement actions necessary to achieve planned results and continual improvement of these processes

4.2 Documentation Requirements

4.2.1 General

The QMS documentation includes:

- A documented Quality Policy
- This Quality Manual
- Documented Procedures
- Documents identified as needed for the effective planning, operation and control of our processes,
- Quality Records
4.2.2 Quality manual

This Quality Manual has been prepared to describe Micro Memory Bank, Inc.’s QMS. The scope and permissible exclusions of the QMS are described in section one of this manual. Each section of the manual references documented QMS procedures relating to the requirements outlined in that section. The Process Flow Diagram at the end of section 4 provides a description of the interaction between the processes of the QMS system.

4.2.3 Control of documents

All of the QMS documents are controlled according to the Document Control Procedure (QP-423-001). This procedure defines the process for:

- Approving documents for adequacy prior to issue
- Reviewing and updating as necessary and re-approving documents
- Ensuring that changes and current revision status of documents are identified
- Ensuring that relevant versions of applicable documents are available at points of use
- Ensuring that documents remain legible and readily identifiable
- Ensuring that documents of external origin are identified and their distribution controlled,
- Preventing the unintended use of obsolete documents and to apply suitable identification to them if they are retained for any purpose

4.2.4 Control of quality records

Quality records are maintained to provide evidence of conformity to requirements and of the effective operation of the QMS. The records are maintained according to the Control of Quality Records Procedure (QP-424-001). This procedure requires that quality records remain legible, readily identifiable and retrievable. The procedure defines the controls needed for identification, storage, protection, retrieval, retention time and disposition of quality records.

Related Procedures

<table>
<thead>
<tr>
<th>Document Control</th>
<th>QP-423-001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control of Quality Records</td>
<td>QP-424-001</td>
</tr>
</tbody>
</table>
Micro Memory Bank Process Flow Diagram

Receive Order from Customer (AP-720-001)

Is product available in FG inventory?

Is Design Required?

Yes: Design and Development (EP-730-001)

No: Purchase Material (AP-740-001)

Receive Material Inspect/Sort (WI-740-001)

Material Accepted?

Yes: Manufacture or Refurbish Product (MP-750-001)

Final Inspection & Test (WI-750-004)

Move Finished Goods to Inventory and Shipping (MP-755-001)

No: Notify Quality Engineer (QP-830-001) Issue NCR (QP-830-001)

Is Quality Planning Required?

Yes: Quality Planning Processes (MP-710-001)

No: Purchase Material (AP-740-001)
Section 5: Management Responsibility

5.1 Management commitment

Top management has been actively involved in implementing the quality management system (QMS). It has provided the vision and strategic direction for the growth of the QMS, and established quality objectives and the quality policy.

To continue to provide leadership and show commitment to the improvement of the QMS, management will do the following.

- Communicate the importance of meeting customer, statutory, and regulatory requirements.
- Establish quality objectives
- Establish the quality policy.
- Conduct quarterly management reviews.
- Ensure the availability of resources.

5.2 Customer focus

Micro Memory Bank, Inc. strives to identify current and future customer needs, to meet customer requirements, and to exceed customer expectations.

Top management ensures that customer requirements are understood and met, by requiring compliance with documented customer communication procedures. Customer requirements are determined, converted into internal requirements, and communicated to the appropriate people in our organization (AP-720-001).

5.3 Quality policy

Top management ensures that the quality policy is communicated to all employees. It is included in new employee training and training on the QMS. It is posted in prominent places throughout the facility to maintain high standards within our organization.

Management reviews the quality policy at each management review meeting to determine the policy’s continuing suitability for our organization. The Quality Policy is documented on A-500-001, Quality Policy.

5.4 Planning

5.4.1 Quality objectives

Quality objectives are established to support our organization’s efforts in achieving our quality policy and reviewed annually for suitability. Objectives have
been established for the following: supplier performance, release of product, and
customer feedback. Quality objectives are measurable, and reviewed against
performance goals at each management review meeting.
Quality objectives are stated within the Quality Policy (AP-500-001).

5.4.2 Quality management system planning

The quality system has been planned and implemented to meet our quality
objectives and the requirements of 4.1 of the ISO 9001 standard. Quality
planning takes place as changes that affect the quality system are planned and
implemented.

5.5 Responsibility, authority and communication

5.5.1 Responsibility and authority

An organizational chart has been established to show the interrelation of
personnel in the organization. Job descriptions define the responsibilities and
authorities of each of the positions on the organizational chart. Job descriptions
and the organizational chart are reviewed and approved by top management for
adequacy. These documents are available throughout the organization to help
employees understand responsibilities and authorities. An organizational chart is
located on page 4 of this manual.

5.5.2 Management representative

Top Management has appointed the Quality Engineer as the management
representative. As management representative, the Quality Engineer has the
following responsibility and authority:

- Ensure that processes needed for the quality management system are
  established and implemented.
- Report to top management on the performance of the quality
  management system, and note needed improvements.
- Promote awareness of customer requirements throughout the
  organization.
- Act as a liaison with external parties such as customers or auditors on
  matters relating to the QMS.

5.5.3 Internal communication

Processes are established for communication within the organization. Methods
of communicating the effectiveness of the QMS include department and
management meetings, management review, circulation of minutes of
management review meetings, posting of reports on company bulletin boards,
and other routine business communication.
5.6 Management review

5.6.1 General

Top management reviews the QMS quarterly at management review meetings. This review assesses the continuing QMS suitability, adequacy and effectiveness, identifying opportunities for improvement and needed changes. Records are maintained for each management review meeting.

5.6.2 Review input

Assessment of the QMS is based on a review of information inputs to management review. These inputs include the following:

- Results of audits
- Customer feedback
- Process performance and product conformity
- Company level quality data
- Status of preventive and corrective actions
- Follow-up actions from previous management reviews
- Planned changes that could affect the quality management system
- Recommendations for improvement

5.6.3 Review output

During these review meetings, management will identify appropriate actions to be taken regarding the following issues:

- Improvement of the effectiveness of the quality management system and its processes
- Improvement of product related to customer requirements
- Resource needs

Responsibility for required actions are assigned to members of the management review team. Any decisions made during the meeting, assigned actions, and their due dates are recorded in the minutes of management review.

Related Procedures:

- Customer Related Processes     AP-720-001
- Management Responsibility      AP-500-001
- Quality Planning Processes     MP-710-001
Section 6: Resource Management

6.1 Provision of resources

Micro Memory Bank, Inc. has implemented a Quality Management System that complies with the ISO 9001 2000 standard. This implementation was achieved with management commitment and with sufficient resources for the implementation. Management determines and provides necessary resources to effectively maintain and continually improve the effectiveness of the quality management system and to enhance customer satisfaction by meeting customer requirements.

6.2 Human resources

6.2.1 General

To ensure competence of our personnel, job descriptions have been prepared identifying the qualifications required for each position that affects product quality. Qualifications include requirements for education, skills and experience. Appropriate qualifications, along with required training, provide the competence required for each position.

6.2.2 Competence, awareness and training

Qualifications are reviewed upon hire, when an employee changes positions or the requirements for a position change. Human resources maintain records of employee qualifications. If any differences between the employee’s qualifications and the requirements for the job are found, training or other action is taken to provide the employee with the necessary competence for the job. The results are then evaluated to determine if they were effective. Training and evaluation are conducted according to the Training procedure. (AP-662-001)

All employees are trained on the relevance and importance of their activities and how they contribute to the achievement of the quality objectives.

6.3 Infrastructure

To meet quality objectives and product requirements Micro Memory Bank, Inc. has determined the infrastructure needed (MP-630-001). The infrastructure has been provided, and includes buildings, workspace, utilities, process equipment and supporting services. As new infrastructure requirements arise, they will be documented in quality plans. Existing infrastructure is maintained to ensure product conformity. Maintenance requirements are documented in preventive maintenance logs.
6.4 Work Environment

A work environment suitable for achieving product conformance is maintained. Requirements are determined during quality planning and documented in the quality plan. The work environment is managed for continuing suitability. Data from the quality system is evaluated to determine if the work environment is sufficient for achieving product conformance, or if preventive or corrective action related to the work environment is required.

Related Documents

<table>
<thead>
<tr>
<th>Competence, Awareness and Training</th>
<th>AP-622-001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>MP-630-001</td>
</tr>
</tbody>
</table>
Section 7: Product Realization

7.1 Planning of product realization

Quality planning is required before new products or processes are implemented. The quality planning may take place as a design project, or according to the Quality Planning procedure (MP-710-001). During this planning, management or assigned personnel identify:

- The quality objectives and requirements for the product,
- Processes, documentation and resources required
- Verification, validation, monitoring, inspection and test requirements,
- Criteria for product acceptance

The output of quality planning includes documented quality plans, processes, procedures and design outputs.

7.2 Customer-related processes

7.2.1 Determination of requirements related to the product

Micro Memory Bank, Inc. determines customer requirements before acceptance of an order. Customer requirements include those:

- Requested by the customer
- Required for delivery and post-delivery activities
- Not stated by the customer but necessary for specified use or known and intended use
- Statutory and regulatory requirements related to the product
- Additional requirements determined by Micro Memory Bank, Inc.

Customer requirements are determined according to the Customer Related Processes Procedure. (AP-720-001)
7.2.2 Review of requirements related to the product

Micro Memory Bank, Inc. has a process in place for the review of requirements related to the product (AP-720-001). The review is conducted before the order is accepted. The process ensures that:

- Product requirements are defined
- Contract or order requirements differing from those previously expressed are resolved
- Micro Memory Bank, Inc. has the ability to meet the defined requirements
- Records are maintained showing the results of the review and any actions arising from the review
- Where a customer does not provide a documented statement of requirement, the customer requirements are confirmed before acceptance
- When product requirements are changed, Micro Memory Bank, Inc. communicates changes to relevant personnel and amends relevant documents

7.2.3 Customer communication

Micro Memory Bank, Inc. has implemented an effective procedure (AP-720-001) for communicating with customers in relation to:

- Product Information
- Enquiries, contracts and order handling, including amendments
- Customer Feedback, including customer complaints

7.3 Design and Development

7.3.1 Design and development planning

The design and development procedure (EP-730-001) outlines the process for controlling the design and development process. The Engineering Department plans design and development according to this procedure. The design plan includes:

- Design and development stages
- Required design plan
- Verification and validation methods appropriate to each design and development stage
- Responsibilities and authorities for design and development
- Identification of the technical interfaces required for the project
- Updating of the design plan as the project progresses

### 7.3.2 Design and development inputs

Inputs relating to product requirements are determined and documented according to the Design and Development procedure (EP-730-001). All inputs are reviewed for adequacy and completeness, and to resolve any ambiguous inputs. Inputs include:

- Functional and performance requirements
- Applicable statutory and regulatory requirements
- Where applicable, information derived from previous similar designs
- Other requirements essential for design and development

### 7.3.3 Design and development outputs

Outputs of design and development are documented according to the Design and Development Procedure (EP-730-001). They are documented in a format that enables verification against the inputs, and are approved prior to release. Outputs:

- Meet the input requirements
- Provide appropriate information for purchasing, production and for
- Contain or reference product acceptance criteria
- Specify the characteristics of the product that are essential for its safe and proper use.

### 7.3.4 Design and development review

The design plan specifies suitable stages of the project to conduct design and development review. Reviews take place according to the design and development procedure; results of design are recorded in the Design Plan form (F-730-001), which are maintained as a quality record. Design reviews:

- Evaluate the results of design and development activities and determine if they fulfill requirements
- Identify any problems and propose necessary actions
- Include representatives of functions concerned with the design and development stage being reviewed

7.3.5 Design and development verification

Design verification is planned and performed to ensure that the design and development outputs have satisfied the design and development input requirements. Records of the results of the verification and any necessary actions are maintained according to the Design and Development procedure (EP-730-001).

7.3.6 Design and development validation

Design and development validation is performed according to the design plan to ensure that the resulting product is capable of fulfilling the requirements for the specified or known intended use or application. Validation is completed prior to delivery whenever practicable. Records of the validation activities are maintained according to the design and development procedure.

7.3.7 Control of design and development changes

The design and development procedure defines a process for identifying, recording, verifying, validating and approving design changes. The review of design and development changes includes an evaluation of the effect of the changes on constituent parts and delivered product. Records are maintained to show the results of the review and any necessary actions identified during the review.

7.4 Purchasing

7.4.1 Purchasing process

A documented procedure (AP-740-001) is followed to ensure that purchased product conforms to the specified purchase requirements. The procedure outlines the extent of control required for suppliers. Suppliers are evaluated and selected based on their ability to supply product in accordance with requirements as outlined in the procedure. Criteria for selection, evaluation and re-evaluation are documented in the procedure. Records of the evaluation and any necessary actions are maintained as quality records.

7.4.2 Purchasing information

Purchasing information describes the product to be purchased, including where appropriate:

- Requirements for approval of product, processes and equipment
Requirements for qualification of personnel

Quality management system requirements

The purchasing documents are reviewed to ensure the adequacy of requirements before orders are placed with the supplier.

7.4.3 Verification of purchased product

The Purchasing procedure (AP-740-001) describes the process used to verify that purchased product meets specified purchase requirements. If Micro Memory Bank, Inc. or the customer will perform verification at the supplier’s premises; the verification arrangements and method of product release are documented in the purchasing information.

7.5 Production

7.5.1 Control of production

Micro Memory Bank, Inc. plans and carries out production and under controlled conditions according to documented procedure (MP-750-001). Controlled conditions include, as applicable:

- The availability of information that describes the characteristics of the product
- The availability of work instructions
- The use of suitable equipment
- The availability and use of monitoring and measuring devices
- The implementation of monitoring and measurement
- The implementation of release, delivery and post-delivery activities

7.5.2 Validation of processes for production

Micro Memory Bank, Inc. validates any processes for production where the resulting output cannot be verified by subsequent monitoring or measurement. This includes any processes where deficiencies become apparent only after the product is in use or the service has been delivered. Validation demonstrates the ability of these processes to achieve planned results.

Micro Memory Bank, Inc. has documented the process for validation including:

- Defined criteria for review and approval of the processes
- Approval of equipment and qualification of personnel
7.5.3 Identification and traceability

Micro Memory Bank, Inc. identifies the product throughout product realization according to the Identification and Traceability procedure (MP-753-001). Product is identified with respect to monitoring and measurement requirements.

7.5.4 Customer property

Micro Memory Bank, Inc. exercises care with customer property while it is under the organization's control or being used. A procedure (MP-754-001) outlines the Identification, verification, protection and safeguarding of customer property provided for use. If any customer property is lost, damaged or otherwise found to be unsuitable for use, this is reported to the customer and records maintained.

7.5.5 Preservation of product

Micro Memory Bank, Inc. preserves the conformity of product during internal processing and delivery to the intended destination per procedure (MP-755-001). This preservation includes identification, handling, packaging, storage and protection. Preservation also applies to the constituent parts of a product.

7.6 Control of monitoring and measuring devices

Micro Memory Bank, Inc. has determined the monitoring and measurement to be undertaken and the monitoring and measuring devices needed to provide evidence of conformity of product to determined requirements. A documented procedure (MP-760-001) outlines the process used to ensure that monitoring and measurement to be carried out are carried out in a manner that is consistent with the monitoring and measurement requirements.

Where necessary to ensure valid results, measuring equipment is:

- Calibrated or verified at specified intervals, or prior to use, against measurement standards traceable to international or national measurement standards
- Adjusted or re-adjusted as necessary;
- Identified to enable the calibration status to be determined;
- Safeguarded from adjustments that would invalidate the measurement result;
- Protected from damage and deterioration during handling, maintenance and storage.

In addition, engineering assesses and records the validity of the previous measuring results when the equipment is found not to conform to requirements. Micro Memory Bank, Inc. takes appropriate action on the equipment and any product affected. Records of the results of calibration and verification are maintained.

When used in the monitoring and measurement of specified requirements, the ability of computer software to satisfy the intended application is confirmed. This shall be undertaken prior to initial use and reconfirmed as necessary.

**Related Documents**

- Quality Planning processes  MP-710-001
- Customer Related Processes  AP-720-001
- Design and Development  EP-730-001
- Purchasing  AP-740-001
- Control of Production  MP-750-001
- Identification and Traceability  MP-753-001
- Customer Property  MP-754-001
- Preservation of Product  MP-755-001
- Control of Monitoring and Measuring Devices  MP-760-001
Section 8: Measurement, Analysis and Improvement

8.1 General

Micro Memory Bank, Inc. has planned and implemented the monitoring, measurement, analysis and improvement processes as needed

- To demonstrate conformity of the product,
- To ensure conformity of the quality management system,
- To continually improve the effectiveness of the quality management system.

These processes are identified in documented procedures and include determination of applicable methods, including statistical techniques, and the extent of their use.

8.2 Monitoring and Measurement

8.2.1 Customer Satisfaction

As one of the measurements of the performance of the quality management system, Micro Memory Bank, Inc. monitors information relating to customer perception as to whether the organization has fulfilled customer requirements. The method for obtaining and using this information is identified in the Customer Related Processes (AP-720-001) and the Management Responsibility procedures (AP-500-001).

8.2.2 Internal Audit

Micro Memory Bank, Inc. conducts internal audits at planned intervals to determine whether the quality management system:

- Conforms to the planned arrangements (see 7.1), to the requirements of this International Standard and to the quality management system requirements established by the organization
- Is effectively implemented and maintained.

An audit program has been designed and implemented and identifies an audit schedule based on the importance of the areas to be audited, as well as the results of previous audits. The scope of each activity audit (per the audit schedule) is to verify compliance of that activity to the ISO 9001: 2000 elements shown on the activity matrix. The audit criteria, frequency, methods, responsibilities and requirements for planning and conducting audits, and for
reporting and maintaining results, are defined and documented in the Internal Audit procedure (QP-822-001).

The management responsible for the area being audited is responsible for ensuring that actions are taken without undue delay to eliminate detected nonconformities and their causes. Follow-up activities include the verification of the actions taken and the reporting of verification results.

8.2.3 Monitoring and measurement of processes

Micro Memory Bank, Inc. applies suitable methods for monitoring and, where applicable, measurement of the quality management system processes. These methods demonstrate the ability of the processes to achieve planned results. When planned results are not achieved, correction and corrective action is taken, as appropriate, to ensure conformity of the product. The process for identifying and carrying out the required monitoring and measuring of processes is documented in the Monitoring, Measuring and Analysis of Product Realization Processes (MP-824-001) and Management Responsibility procedures (AP-500-001).

8.2.4 Monitoring and measurement of product

Micro Memory Bank, Inc. monitors and measures the characteristics of the product to verify that product requirements are fulfilled. This is carried out at appropriate stages of the product realization process identified in Monitoring, Measuring and Analysis of Product Realization Processes (MP-824-001).

Evidence of conformity with the acceptance criteria is maintained. Records indicate the person authorizing release of product. Product release and service delivery does not proceed until all the planned arrangements have been satisfactorily completed, unless otherwise approved by a relevant authority, and where applicable by the customer.

8.3 Control of Nonconforming Product

Micro Memory Bank, Inc. ensures that product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery. The controls and related responsibilities and authorities for dealing with nonconforming product are defined in the Control of Nonconforming Product procedure (QP-830-001).

8.4 Analysis of Data

Micro Memory Bank, Inc. determines, collects and analyses appropriate data to demonstrate the suitability and effectiveness of the quality management system and to evaluate where continual improvement of the quality management system can be made. The process for determining, collecting and analyzing this data is defined in the Management Responsibility procedure (AP-500-001). Appropriate
data includes data generated as a result of monitoring and measurement and from other relevant sources.
The analysis of data provides information relating to:

- Customer satisfaction
- Conformance to product requirements
- Characteristics and trends of processes and products including opportunities for preventive action
- Suppliers

8.5 Improvement

8.5.1 Continual improvement

Micro Memory Bank, Inc. continually improves the effectiveness of the quality management system through the use of the quality policy, quality objectives, audit results, analysis of data, corrective and preventive actions and management review.

8.5.2 Corrective action

Micro Memory Bank, Inc. takes action to eliminate the cause of nonconformities in order to prevent recurrence. Corrective actions are appropriate to the effects of the nonconformities encountered.

A documented procedure (QP-852-001) defines requirements for:

- Reviewing nonconformities (including customer complaints),
- Determining the causes of nonconformities,
- Evaluating the need for action to ensure that nonconformities do not recur,
- Determining and implementing action needed,
- Records of the results of action taken (see 4.2.4), and
- Reviewing corrective action taken.

8.5.3 Preventive action

Micro Memory Bank, Inc. determines action to eliminate the causes of potential nonconformities in order to prevent their occurrence. Preventive actions are appropriate to the effects of the potential problems.
A documented procedure (QP-853-001) defines requirements for:

- Determining potential nonconformities and their causes
- Evaluating the need for action to prevent occurrence of nonconformities
- Determining and implementing action needed
- Records of results of action taken
- Reviewing preventive action taken

**Related Documents**

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<tr>
<th>Document Description</th>
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<tbody>
<tr>
<td>Management Responsibility</td>
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<td>Customer Related Processes</td>
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<td>Internal Audits</td>
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<tr>
<td>Monitoring and Measuring of Product and Realization Processes</td>
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<td>Control of Nonconforming Product</td>
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<td>Corrective Action</td>
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<td>Preventive Action</td>
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### QUALITY SYSTEM MANUAL REVISIONS

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<th>Rev.</th>
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<th>Reason for Change</th>
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<tbody>
<tr>
<td>A</td>
<td>10/29/02</td>
<td>Initial Release</td>
<td>D. Sheerr</td>
<td>Yes</td>
</tr>
<tr>
<td>B</td>
<td>2/04/03</td>
<td>Miscellaneous corrections in response to audit findings</td>
<td>D. Sheerr</td>
<td>No</td>
</tr>
<tr>
<td>C</td>
<td>2/21/03</td>
<td>Service Provision described in section 7.5 does not apply to the company activities. Add exclusion for Service Provision to section 1.2. Add ISO requirements of section 6.1b to the Quality Manual</td>
<td>D. Sheerr</td>
<td>No</td>
</tr>
<tr>
<td>D</td>
<td>3/10/04</td>
<td>Organizational Reporting chart &amp; Quality Manual Distribution list updated to reflect the changes put into practice.</td>
<td>D. Sheerr</td>
<td>No</td>
</tr>
</tbody>
</table>